



DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Care Financing  
Administration  
Region IX

Refer to: MCD-RHR

75 Hawthorne St.  
Suite 401  
San Francisco, CA 94105

JUN 22 2001

Phyllis Biedess, Director  
Arizona Health Care Cost Containment System  
801 E. Jefferson  
Phoenix, AZ 85034

Dear Ms. Biedess:

Enclosed is an approved copy of Arizona State plan amendment (SPA) 00-015, which eliminates resource requirements in determining eligibility for the 1931 group, Ribicoff children, 18 year old students, and caretaker relatives of dependent children. I am approving this SPA with the requested effective date of October 1, 2000.

If you have any questions, please have your staff contact Ronald Reepen at (415) 744-3601.

Sincerely,

Linda Minamoto  
Associate Regional Administrator  
Division of Medicaid

Enclosures

cc:

Joan Peterson, HCFA, CMSO, FCHPG  
Elliot Weisman, HCFA, CMSO, PCPG

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3. The following resource methodology applies to individuals covered in Section 1902(a)(10)(A)(ii)(I), (IV), and (V) and 1905(p) (QMB, SLMB, QI-1 and QI-2).

Rather than performing resource determinations as of the first day of the month, resource determinations may be made at any time during the month. If the individual's resources are within the resource limit at any time during the month, the individual will be eligible for the entire calendar month.

4. The following resource methodology applies to individuals covered in Section 1902(a)(10)(A)(ii)(V) and 1902(a)(10)(E)(i).

Disregard the value of payments refunded by a nursing facility to an individual who is entitled to medical assistance for nursing facility services as required by Section 1919(c)(5) of the Social Security Act for a period of six months beginning the month the refund is received. However, transfer penalties will apply if a refund is transferred without receipt of adequate compensation.

5. Except for ALTCS eligibility, including individuals approved for ALTCS acute care services under 1902(a)(10)(ii)(I) of the Act, the following resource methodology applies to individuals described in 1902(a)(i) and (ii) who are covered under 1902(a)(10)(A)(ii)(1) i.e. Ribicoff children, 18 year old students and caretaker relatives.

All resources shall be excluded.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARIZONA

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ELIGIBILITY UNDER SECTION 1931 OF THE ACT

The State covers low-income families and children under section 1931 of the Act.

The following groups were included in the AFDC State plan effective July 16, 1996:

- X Pregnant women with no other eligible children.
- X AFDC children age 18 who are full-time students in a secondary school or in the equivalent level of vocational or technical training.
- X Families with unemployed parents.

The State wants to continue providing Medicaid to all cash assistance recipients. All Medicaid eligibility provisions apply.

X In determining ALTCS eligibility, including individuals approved for ALTCS acute care services under 1902(a)(10)(ii)(I) of the Act, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996 except that the agency excludes an additional \$1,000 in resources, effectively increasing the resource standard to \$2,000.

X In determining eligibility for Medicaid, other than ALTCS, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996, with the following modifications.

\_\_\_\_\_ The agency applies lower income standards which are no lower than the AFDC standards in effect on May 1, 1988, as follows:

\_\_\_\_\_ The agency applies higher income standards than those in effect as of July 16, 1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows:

\_\_\_\_\_ The agency applies higher resource standards than those in effect as of July 16, 1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows:

X The agency uses less restrictive income and/or resource methodologies than those in effect as of July 16, 1996, as follows:



STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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2. Dependent child's earned income will be totally disregarded provided the child is enrolled at least half the time in any recognized elementary, secondary, or post secondary school.
3. Dependent care deductions will be allowed as billed not to exceed the Title IV-A standard that was in place as of July 1996.
4. Exclude all resources.
5. The Fair Labor Standard Act "FLSA Supplement Income" payment by the State's TANF agency to Temporary Assistance to Needy Families (TANF) recipients engaging in uncompensated work activity, is disregarded as income.
6. The one time lump sum TANF grant diversion payment is disregarded as income and as resources.
7. Earned income received in the second and third month of eligibility is disregarded for recipients.
8. Non-recurring lump sum payment other than the one-time lump sum grant diversion payment will be counted as income or a resource in the month received, whichever is less restrictive.

The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

1. The 30% or \$30 and 1/3 earned income disregard, whichever is greater.
2. Part-time students are eligible for disregard only if working part-time.
3. Dependent care deductions are allowed as paid not to exceed the Title IV-A standard that was in place as of July 1996.
4. \$2,000 resource standard.
5. None. This supplement payment was first implemented by the State's TANF agency in July 1999.
6. None. The TANF Grant Diversion program was first implemented by the state in October 1999.
7. None.
8. Lump sum payment counted as income in the month received and any remaining amount is considered as a resource in the following month.

## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARIZONA

\_\_\_\_\_ The agency terminates medical assistance (except for certain pregnant women and children) for individuals who fail to meet TANF work requirements.

X The agency continues to apply the following waivers of provisions of Part A of Title IV in effect as of July 16, 1996, or submitted prior to August 22, 1996 and approved by the Secretary on or before July 1, 1997.

Waiver of §402(a)(41) and §407 of the Act and 45 CFR 233.100(a)(1) and (c)(1)(iii) and 233.101(a)(1) and (c)(1)(iii). A child will be considered deprived if the family income is below the applicable income payment standard, regardless of the number of hours the principal wage earner is employed.